

Service Date: April 23, 1991

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER Of the Application of)	
Midvale Water Service for Authority)	UTILITY DIVISION
to Transfer the Assets and Operating)	DOCKET NO. 91.3.4
Responsibilities of Its Water Utility)	ORDER NO. 5553
in Eureka, Montana to Victor and Betty)	
Peltier.)	

BACKGROUND

1. On March 1, 1991, Midvale Water Service (Applicant) filed a petition with the Montana Public Service Commission (Commission) requesting that the Commission, pursuant to jurisdiction established by Section 69-3-101 et seq., MCA, authorize the sale and transfer of the assets and operating responsibilities of Midvale Water Service's water utility in Eureka, Montana to Victor and Betty Peltier (Buyers). Buyers propose to continue water service to all consumers previously supplied by the Applicant. According to the Application, transfer of the assets will not in itself result in a rate increase for any consumer.

2. On March 8, 1991, the Commission issued a Notice of Opportunity for Public Hearing, which was sent to the Montana Consumer Counsel and all customers currently connected to the Midvale Water Service's facilities. The Notice gave interested parties until April 11, 1991, to request a hearing or submit protests regarding the Application.

3. The Commission has received no protests or requests for public hearing, and therefore will not schedule a public hearing.

Findings of Fact

4. The parties represent that there will be no changes in the operation of the utility. The Application indicates no threat to the adequacy or availability of service to the utility's customers.

5. This Application is for approval of a sale and transfer

of the ownership of Midvale Water Service, including the assets and operating responsibilities, and does not result in a rate increase to the customers. If the Company needs and can justify a rate increase, it shall apply to the Commission pursuant to the requirements of Title 69, Chapter 3, MCA and the Commission rules in ARM 38.5.101 et seq.

6. Upon transfer, Midvale Water Service will continue to operate as a public utility subject to regulation by the Commission pursuant to the appropriate rules and requirements of Title 69, Chapter 3, and ARM 38.5.101 et seq. The purchasers will be responsible for filing new tariffs with the Commission identical to those tariffs in place before the transfer.

7. The proposed new owners appear to have the financial and other resources necessary to provide adequate service in the future.

CONCLUSIONS OF LAW

1. The Montana Public Service Commission has jurisdiction over privately owned public water utilities, pursuant to its general regulatory and supervisory powers. Section 69-3-102, MCA.

2. Midvale Water Service, both before and after the transfer herein, is a public utility subject to the Commission's jurisdiction. Section 69-3-101, MCA.

3. Public utilities are required to provide reasonably adequate service and facilities for reasonable rates. Section 69-3-201, MCA. The transfer of ownership will not result in inadequate service or unreasonable rates.

4. The Commission has general powers to do all things necessary and convenient in the exercise of its jurisdiction. Section 69-3-103, MCA. Therefore, the Commission has the power to approve sale/purchase and transfers of the assets and operating responsibilities of public utilities, to ensure the continued provision of adequate service at reasonable rates.

5. The proposed new owner is fit, willing and able to assume the service responsibilities associated with ownership of the Midvale Water Service and to submit to the jurisdiction of the Commission as a privately owned public utility.

ORDER

NOW THEREFORE, IT IS ORDERED THAT:

1. Midvale Water Service is hereby authorized to transfer its assets and operating responsibilities to Victor and Betty Peltier.

2. Upon transfer, Victor and Betty Peltier shall file rates and service tariffs consistent with those outlined in the Application for provision of service to consumers in the utility's Eureka, Montana service area.

DONE IN OPEN SESSION this day of April 22, 1991, by a vote of to 5-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

HOWARD L. ELLIS, Chairman

DANNY OBERG, Vice Chairman

WALLACE W. "WALLY" MERCER, Commissioner

JOHN B. DRISCOLL, Commissioner

BOB ANDERSON, Commissioner

ATTEST:

Ann Peck
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.